

DEC 1

The Administrator Washington, D.C. 20201

Ms. Phyllis Biedess
Director
Arizona Health Care
Cost Containment System
801 East Jefferson
Phoenix, Arizona 85034

Dear Ms. Biedess:

We are pleased to inform you that the amendment to your Children's Health Insurance Program (Title XXI) plan that you submitted on September 27, 1999, has been approved. This amendment targets the reporting requirements regarding quality indicators, strategic objectives and performance goals to the assurances and reports required by Title XXI. On October 26, the state requested that two additions be made to this amendment: 1) a clarification that cost sharing of any kind will not be imposed on American Indians and 2) a request that children who have been terminated from private insurance as a result of reaching the lifetime limit be considered uninsured for Title XXI eligibility purposes.

The Department of Health and Human Services will continue to provide information related to areas such as enrollment and administrative simplification, models of successful outreach programs, comprehensive systems and measures of quality care, linkages to other children's health programs, and data options through state letters and through the Departmental website. I hope you will find these resources helpful as you continue to implement your program.

Your project officer continues to be Ms. Joan Peterson. Ms. Peterson is available to answer any questions concerning the implementation of your Title XXI Program and may be reached at (410) 786-0621. Her address is:

Health Care Financing Administration Center for Medicaid and State Operations Mail Stop S2-01-16 7500 Security Boulevard Baltimore, Maryland 21244-1850

Page 2 - Ms. Phyllis Biedess

Official communications regarding program matters should be sent simultaneously to the project officer and to Ms. Linda Minamoto, Associate Regional Administrator for the Division of Medicaid and State Operations in the San Francisco Regional Office. Ms. Minamoto's address is:

Health Care Financing Administration, Region IX Division of Medicaid and State Operations 75 Hawthorne Street, Suite 401 San Francisco, California 94105-3901

Again, we extend our congratulations and look forward to working with you during the course of the program.

Sincerely,

Nancy-Ann Min DeParle Administrator